



WorkSource System Policy
WorkSource Standards & Integration Division

Washington envisions a nationally recognized fully integrated One-Stop system with enhanced customer access to program services, improved long-term employment outcomes for job seekers and consistent, high quality services to business customers. In order to achieve this vision, the WorkSource Standards & Integration Division sets a common direction and standards for Washington's WorkSource system through the development of WorkSource system policies, information notices, and technical assistance.

Policy Number: 1013 Revision 1
To: Washington WorkSource System
Date of Publication: October 5, 2012
Subject: WorkSource Memorandum of Understanding (MOU)

1. Purpose:

This policy establishes a framework and minimum standards that align with federal regulations for the development of Memoranda of Understanding (MOUs).

2. Background:

MOUs are federally mandated agreements managed by local Workforce Development Councils (WDCs), with the concurrence of the Chief Local Elected Officials (CLEOs) and WorkSource Partners. MOUs address the operation of the WorkSource system in local Workforce Development Areas (WDAs), and each partner outlines its role in the delivery of services to individuals within the integrated WorkSource system.

MOUs offer flexibility for WDCs and WorkSource partners to collaborate in providing programs and services to meet local needs. MOUs also support statewide goals for the WorkSource system to provide high quality employment and training services that strengthen the state's businesses and industries, and increase the skills of job seekers that will result in employment. MOUs also support the WorkSource Framework Initiative.

WDCs must ensure there is an MOU in place reflecting overall strategies and partner commitment to the WorkSource system. The development of an MOU is an important part of WDCs' responsibility for convening local WorkSource partners and stakeholders, planning the area's workforce development strategy and overseeing effective working relationships of partners in WorkSource Centers and WorkSource Affiliates.

3. Policy:

a. Requirement to develop an MOU:

Each WDC, with the agreement of the CLEO(s), will develop and enter into an MOU between the WDC and the WorkSource partners concerning the operation of the WorkSource centers and affiliate sites in their WDA.

The MOU can be a local WorkSource system wide agreement (i.e. one umbrella MOU) or it can consist of several agreements within the WDA (i.e. multiple umbrella MOUs or per individual partner with an overall agreement that describes partners' roles and contribution in the local WDA).

It is understood by the partners to the MOU that each will fulfill its responsibilities under the MOU in accordance with the provisions of law and regulations governing their activities. Nothing in the agreement is intended to negate or otherwise interfere with any such provisions or requirements.

b. The MOU shall, at a minimum, incorporate the following information:

- i. Services to be provided through the WorkSource system including methods of referral of individuals between the WorkSource partners for the appropriate services and activities (WIA Sec. 121(c)(2)(A)(i)):

WDCs are encouraged to consider developing separate descriptions for individual WorkSource Centers and Affiliate Sites. This approach will likely result in a more accurate and detailed depiction of the strategy and each partner's role. The inclusion of these descriptions in the MOU is necessary to ensure partners are aware of their expectations.

The MOU will clearly describe the area's combined strategy and each partner's roles and responsibilities involved in the following activities:

1. Responsibility of each partner for customer service delivery;
2. Customer flow through the local WorkSource center(s) and their affiliated site(s);
3. Integrated Service Functions:
 - Front-End Services
 - Skills Development Services
 - Employer/Business Services
4. Customer referrals (Section 121(c)(2)(A)(iii) of the WIA):
 - The intake, enrollment and assessment processes and the partners delivering these services; and
 - Seamless client flow between programs.

NOTE: Roles of partners that are not involved specifically in any of the above functions must also be clearly defined in the MOU.

ii. Funding the services and operating costs of the system (Section 121(c)(2)(A)(ii) of the WIA):

The MOU will outline how the costs of such services described above and the operating costs of the system will be funded. A more detailed cost sharing plan is contained in the Resource Sharing Agreement (RSA), which is a separate document to the MOU and need not be attached or referenced.

iii. The duration of the MOU and the procedures for amendment during the term of the MOU (WIA Sec. 121(c)(2)(A)(iv)):

The MOU will identify the duration of the MOU and the WDC's established procedure for amending the MOU (including the timeframes for these changes).

The MOU is a living document that should serve WorkSource partners by establishing consistent and cooperative operations. Routine operations with continuous improvement changes normally will not require modifications; however, the term of the MOU shall be no longer than five years.

Partners that suggest a significant modification to any element in the MOU must bring these recommendations forward in a participatory manner in coordination with the WDC.

iv. Organizations responsible for providing the following activities, services or programs are required WorkSource partners (WIA Sec. 134(d)(2) and 20 CFR 662.200):

- WIA Title IB - Youth, Adult and Dislocated Worker Programs;
- Job Corps, Migrant and Seasonal Farm Worker programs and Native American Programs;
- Veterans' Programs;
- Wagner-Peyser Act Programs;
- Adult Education and Literacy activities;
- Vocational Rehabilitation activities;
- Trade Adjustment Assistance (Trade Act) activities;
- Older Worker Programs in Title V;
- Post-Secondary Vocational Education activities;
- Community Services Block Grant - Employment and Training activities;
- Housing and Urban Development - Employment and Training activities; and
- Programs authorized under state Unemployment Compensation laws.

NOTE: Some WDAs may not have representatives from all of the above organizations in their communities. In cases where one or more organization listed above is not represented, there is no need for a signature on the MOU. Also, additional local organizations may be partners in the MOU as determined by the WDC in agreement with the CLEO(s).

v. Additional Requirements:

The following agreements and procedures must also be attached or incorporated in the MOU:

- The One-Stop Operator agreement;
- The Initial Customer Complaints procedure; and
- The local Dispute Resolution procedure.

NOTE: WDCs may incorporate additional language into the MOU if there are additional local requirements.

c. Dispute Resolution Guidance

Disputes should, wherever possible, be resolved at the local level. The WDC must have a dispute resolution procedure in place that covers steps to be taken to resolve disputes, including those regarding specific provisions of language within the MOU or amendments to the MOU. All local actions to resolve the disputes must be documented.

i. Local Dispute Resolution:

As partners participate in the local WorkSource system or discuss the MOU and any amendments to it, disagreements may occur. In such cases, the local WDC dispute resolution procedure should be followed and all local actions documented.

If the dispute remains unresolved, CFR 662.310(b) provides for alternatives for states to provide assistance. If the Local Board and required partner continue to disagree, they may request that the WorkSource Standards and Integration Division (WSID) review the dispute. WSID will release a written recommendation to all parties after its review.

ii. State Level Dispute Resolution:

WIA emphasizes full and effective partnerships between WDCs and WorkSource partners. When WDCs and WorkSource partners have entered into good faith negotiations and have reached an impasse at the local level, the following steps shall be taken in the following order:

- All steps in the “Local Dispute Resolution” procedure must be completed.
- The WDC and required partners must send a letter to the Employment Security Department (ESD) as the state’s designated administrative entity of the WIA, notifying of the impasse. The letter should outline the issues and parties involved in detail and provide documentation of actions to resolve the dispute.
- ESD shall engage the CLEO(s) and any other parties mutually deemed appropriate, in an effort to resolve the dispute. Prior to issuing their decision, ESD and the CLEO(s) may seek alternatives such as asking for third-party mediation, or consultation with the Governor's Office, to propose a resolution.
- ESD, as the state’s WIA administrative entity, and the CLEO(s) shall jointly issue a final written decision to all parties.
- If the impasse continues in disputes regarding the failure to sign the MOU, a notification of sanctions as defined in 662.310(c) will be sent by ESD to the WDC and CLEO(s). Any partner that fails to execute an MOU may not be permitted to serve on the WDC.
- In addition, any WDA in which a WDC has failed to execute an MOU with all of the required

partners is not eligible for state incentive grants.

- A report will also be sent to the Department of Labor as noted in 662.310(b) and to the Workforce Training and Education Coordinating Board for membership review purposes.

4. **Monitoring Expectations:**

- a. Monitoring Unit verifies the WDC, with the agreement of the CLEO(s), has a properly executed MOU, and the Monitoring Unit ensures that the MOU meets state and federal requirements and is available to the public. The following content is required:
 - Current signatures of required partners;
 - Description of the services to be provided through the WorkSource system;
 - Description of how the costs of the outlined services will be funded and how the operating costs of the one-stop system will be funded;
 - Description of the methods for referral of individuals between the One-Stop Operator and the WorkSource partners, for the appropriate services and activities;
 - The duration of the MOU (five year maximum);
 - The procedures and timeframe for amending the MOU during the term of the MOU;
 - The One-Stop Operator agreement (attached, hyperlinked or imbedded);
 - The Initial Customer Complaints procedure (attached, hyperlinked or embedded); and
 - The local Dispute Resolution procedure (attached, hyperlinked or embedded).
- b. Monitoring Unit reviews the local Dispute Resolution procedure to ensure both stages of dispute resolution are outlined. Monitoring Unit identifies the local process for dispute resolution that takes place prior to involving ESD.

5. **Definitions:**

Employer/Business Services - This function includes ready access to labor-market information; coordinated business outreach assessment of business needs; and developing and implementing solutions to meet their workforce needs. Refer to [WorkSource Policy 1014, Coordinated Employer/Business Services](#).

Integrated Front-End Services - These are the *initial* customer services that begin the customer's personalized job search and skill improvement assistance process. Coordinated service delivery is emphasized to improve customer outcomes, rather than focusing on funding sources or program affiliation. Refer to [WorkSource Policy 1010 Rev 1, Integrated Front-end Services](#).

Memorandum of Understand (MOU) - The MOU is a formal agreement defining roles, responsibilities and the flow of services to be provided by WorkSource partners in the local WDA.

Resource Sharing Agreement (RSA) - A document designed to detail the sharing of resources and costs within the WorkSource System. Resources may be in the form of cash transfers or the provision of goods and services that benefit multiple partners.

Skills Development Services - This function is where customers have the opportunity to know their skills and identify skill deficits and other employment barriers, to increase their skills and to find appropriate employment.

WorkSource Affiliate - In Washington State, WorkSource Affiliate is the term used for “One-Stop Affiliate” and has the same meaning. A WorkSource Center Affiliate provides customers with access to a limited array of one-stop career center services at a location other than the WorkSource Center. WorkSource Center Affiliates are often housed at local non-profits, community colleges, or other locations that meet the needs of customers and are connected to a local WorkSource Center.

WorkSource Center - In Washington State, WorkSource Center is the term used for “One-Stop Center” and has the same meaning. A WorkSource Center is a full service one-stop career center created to provide jobseeker and employer services. Each center provides an array of required and locally determined services to meet the needs of business and job-seeking customers.

Workforce Development Area (WDA) - In Washington State, WDA is the term used for “local workforce investment area” and has the same meaning. The term “local area” means a local workforce investment area designated under section 116. The governor is required to establish a State Board; to designate local workforce investment areas; and to oversee the creation of WDCs and local WorkSource Systems in the State.

Workforce Development Council (WDC) - In Washington State, WDC is the term used for “local board” and has the same meaning. The term “local board” means a Local Workforce Investment Board (LWIB) established under section 117. WDC represents the trustee body of the workforce development system. The LWIB, the WDC, works on behalf and in coordination with the Chief Local Elected Officials (CLEOs) and represents a broad cross-section of the local community interested in workforce development.

WorkSource Partner - In Washington State, WorkSource Partner is the term used for “one-stop partner” and has the same meaning. Any entity that takes part in delivering workforce services to WorkSource customers and whose roles and responsibilities are outlined in a Memorandum of Understanding. In 20 CFR 660.300 the term “one-stop partner” means— (A) an entity described in section 121(b)(1); and (B) an entity described in section 121(b)(2) that is participating, with the approval of the local board and chief elected official, in the operation of a one-stop delivery system.

WorkSource System - In Washington State, WorkSource system is the term used for “one-stop delivery system” and has the same meaning. The WorkSource System is Washington’s statewide comprehensive “one-stop system” for businesses and job seekers. Washington’s WorkSource system is a collaborative partnership that includes all organizations, contractors and mandated partners who have entered into official agreements to operate as an integrated one-stop service delivery system as envisioned by the WIA. This structure includes WorkSource Centers and Affiliate Sites and partner programs that provide services at these sites.

6. References:

- WIA Sec. 121(a)(1); 121(c)(2)(A)(i-iv); and 134(d)(2).
- 20 CFR Section II. Summary and Explanation (pp. 49312-49313).
- 20 CFR 661.120(b) and 20 CFR 662.310(b and c).
- [WashingtonWORKS, January 2007.](#)
- [WorkSource Policy 1014, Coordinated Employer/Business Services.](#)
- [WorkSource Policy 1010 Rev 1, Integrated Front-end Services.](#)
- [WorkSource Policy 1012, Initial Customer Complaints.](#)

7. Supersedes:

WorkSource Policy 1013, WorkSource Memorandum of Understanding, July 1, 2010

8. Website:

<http://www.wa.gov/esd/policies/systems.htm>

9. Action:

WDCs and their contractors, as well as Employment Security Area Directors, should distribute this policy broadly throughout the system to ensure that WorkSource System staff are familiar with its content and requirements.

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Approved:

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